



University of
NORTH ALABAMA
FOUNDATION

BUDGET, FINANCE & AUDIT COMMITTEE

UNA FOUNDATION

Thursday, July 18, 2019; 10:00 – 11:30 a.m.

The Guillot University Center – Banquet Hall D

AGENDA

- I. WelcomeDavid Sunseri '98, *Chair*
- II. Review of Prior Meeting Minutes.....David Sunseri
- III. Review of Current Financial Statements.....Gwen Patrick '83
- IV. Review of Fiscal Year 2019 – 2020 Foundation Operating Budget.....David Sunseri
- V. Review of Endowment Expenses in Audited Financial Statements.....Gwen Patrick

MEMBERS

<i>David Sunseri '98, Chair</i>	<i>Cathy Miller '83</i>	<i>Debbie Shaw '82 (staff, non-voting)</i>
<i>Chuck Hunt '95, Vice Chair</i>	<i>David Muhlendorf</i>	<i>Evan Thornton '15 (staff, non-voting)</i>
<i>Richard Cater '67</i>	<i>Nancy Opler</i>	<i>Lucy Trousedale '89</i>

Gwen Patrick '83, Staff Liaison

ARTICLE V, Section 2

The UNA Vice President for University Advancement/Executive Director and the UNA Vice President for Business and Financial Affairs/Treasurer shall serve as staff to the Committee. The Budget, Finance and Audit Committee shall submit for approval to the Board of Directors its recommendations as to an annual budget for the UNA Foundation. The Committee shall review the annual audit (in preliminary and final forms) of the Foundation prepared by the independent auditing firm then servicing the Foundation, shall present the annual audit report to the Executive Committee and the Board of Directors for approval and shall recommend to the Executive Committee and Board of Directors such other policies as it deems necessary and appropriate to assure the prudent oversight of the business and financial affairs of the Foundation. The Chair of this committee also serves as Treasurer of the Foundation Board of Directors and of the Board's Executive Committee.



**MINUTES
BUDGET, FINANCE AND AUDIT COMMITTEE
UNA FOUNDATION**

Friday, March 15, 2019; 10:00 a.m. – 11:30 a.m.

The Guillot University Center – Banquet Hall D

Present: Chair David Sunseri, Vice Chair Chuck Hunt, David Muhlendorf, Richard Cater, Nancy Opler, Cathy Miller, Evan Thornton (*Staff, non-voting*) and Board of Directors Chair Harry Smith.

Not Present: Lucy Trousdale and Deborah Shaw (*Staff, non-voting*)

Staff Liaison: Gwen Patrick

The meeting was called to order at 10:00 a.m.

Chair Sunseri reviewed minutes from the November 16, 2018 Budget, Finance, and Audit Committee meeting. Ms. Opler made a motion to approve the minutes as drafted. Richard Cater provided a second and all members voted in favor.

Jeremy Blackburn, CPA, CVA, MAFF with CDPA, PC reviewed the audited financial statements for the fiscal year ended September 30, 2018. Mr. Blackburn discussed the Report to the Board of Directors dated February 13, 2019. This report summarized certain matters required by professional standards to be communicated to the Committee. It included the Auditor's responsibility under professional standards, accounting practices and management's judgments. Mr. Blackburn stated that there were no disagreements with management, there were no significant issues discussed with management and there were no difficulties encountered in performing the audit. His discussion included the Statement of Financial Position, the Statement of Activities and Changes in Net Assets, the Statements of Functional Expenses and several notes to the Financial Statements. Mr. Blackburn also discussed FASB pronouncements that will change the reporting format for future fiscal years. Ms. Opler made a motion to accept the Audited Financial Statements as of September 30, 2018, Ms. Miller provided a second and all members voted in favor.

Gwen Patrick reviewed the unaudited Financial Statements for the Foundation as of January 31, 2019. Several of the Income and Expense budget items were discussed in detail. It was suggested that Treasury Direct be considered when the next Foundation Certificate of Deposit matures.

Chair Sunseri asked Mr. Cater to report on the findings of the Gift Acceptance Policy sub-committee consisting of Mr. Cater and Mr. Hunt. Mr. Cater reviewed a draft of the Gift Acceptance Policy that had been prepared and the process used to update the policy. He stated that policy issues had been covered but that some procedures are also included and the policy should be reviewed and refined periodically. Mr. Cater made a motion that the Committee accept the policy as presented and allow the Committee members and staff the opportunity to refine and enhance the policy as needed. It was suggested that the policy be reviewed the same time each year that the audit is reviewed.

The meeting adjourned at 11:10 a.m.

University of North Alabama Foundation, Inc.

Unrestricted Operating Budget vs. Actual

Fiscal YTD May 31, 2019 (unaudited)

	Actual	Fiscal Year Budget	Over (Under) Budget
Unrestricted Income			
1% Fee on Endowed Funds	290,620.44	280,000.00	10,620.44
2% Fee on Current Use Funds	35,052.35	66,000.00	(30,947.65)
1830 Fund-Phonathon/Direct Appeals	106,347.33	220,000.00	(113,652.67)
Derby Day	93,720.00	121,000.00	(27,280.00)
Interest Income	53,710.31	13,000.00	40,710.31
Other Unrestricted Funds/Bequests	22,000.00	-	22,000.00
 Total Unrestricted Income	 601,450.43	 700,000.00	 (98,549.57)
 Unrestricted Expenses			
Fundraising/Cultivation Activities	142,112.34	294,500.00	(152,387.66)
Foundation Operating Expenses	101,708.10	136,750.00	(35,041.90)
Program/President Support	48,748.01	390,000.00	(341,251.99)
 Total Unrestricted Expenses	 292,568.45	 821,250.00	 (528,681.55)
 Net Income	 308,881.98	 (121,250.00)	 430,131.98

The Foundation's fiscal year starts October 1 and ends September 30

University of North Alabama Foundation
Statement of Financial Position (unaudited)
As of May 31, 2019

Assets

Current Assets

Cash and Cash Equivalents	\$ 1,779,508.66
Certificates of Deposit	2,534,633.97
Pledges Receivable	732,442.33
Interest Receivable	11,413.86
Total Current Assets	<u>5,057,998.82</u>

Long-Term Investments

Restricted Assets for Long-Term Investment	511,042.47
Investments	28,294,859.29
Total Long-Term Investments	<u>28,805,901.76</u>

Fixed Assets, Net	98,650.00
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Other Assets

Cash Surrender Value Life Insurance	161,558.82
Pledges Receivable - Non-Current	<u>945,288.35</u>

Total Assets	<u><u>\$ 35,069,397.75</u></u>
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Liabilities and Net Assets

Liabilities

Accounts Payable	\$ 74,122.65
Annuity Obligations	276,839.70
Total Liabilities	<u>350,962.35</u>

Net Assets	<u>34,718,435.40</u>
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Total Liabilities and Net Assets	<u><u>\$ 35,069,397.75</u></u>
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